



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-880]

Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that the producers/exporters subject to this administrative review made sales of subject merchandise at less than normal value (NV). Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Whitley Herndon, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4682 or (202) 482-6274, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 15, 2018, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review on heavy walled rectangular welded carbon steel pipes and tubes from Korea.¹ This review covers 21 producers and exporters of the

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 83 FR 57411 (November 15, 2018).

subject merchandise. Commerce selected Dong-A Steel Company (DOSCO), HiSteel Co., Ltd (HiSteel), and Kukje Steel Co., Ltd. (Kukje Steel) for individual examination. DOSCO informed Commerce that it did not intend to respond to the questionnaire or participate as a mandatory respondent in this administrative review. The producers and/or exporters not selected for individual examination are listed in the “Preliminary Results of the Review” section of this notice.

Commerce exercised its discretion to toll all deadlines affected by the partial federal government closure from December 22, 2018 through the resumption of operations on January 28, 2019.² On June 10, 2019, Commerce extended the preliminary results of this review by 117 days, until November 6, 2019.³ For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.

Scope of the Order

The products covered by the order are certain heavy walled rectangular welded steel pipes and tubes from the Republic of Korea (Korea). Products subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item number 7306.61.1000. Subject merchandise may also be classified under 7306.61.3000. Although the HTSUS numbers and ASTM specification are provided for convenience and for customs purposes, the written product description remains dispositive.⁴

² *See* Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance, “Deadlines Affected by the Partial Shutdown of the Federal Government,” dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

³ *See* Memorandum, “Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Extension of Deadline for Preliminary Results of the 2nd Antidumping Duty Administrative Review,” dated June 10, 2019.

⁴ For a full description of the scope of the order, *see* Memorandum, “Decision Memorandum for the Preliminary Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Heavy Walled Rectangular

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price is calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

Adverse Facts Available

Because mandatory respondent DOSCO failed to respond to Commerce's questionnaire, we preliminarily determine to apply facts otherwise available with adverse inferences (AFA) to this respondent, in accordance with sections 776(a) and (b) of the Act and 19 CFR 351.308. For further discussion, *see* the Preliminary Decision Memorandum.

Welded Carbon Steel Pipes and Tubes from Korea," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the respondents for the period September 1, 2017 through August 31, 2018:

<u>Exporter/Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
Dong-A Steel Company	53.80
HiSteel Co., Ltd.	40.40
Kukje Steel Co., Ltd.	51.27

Review-Specific Average Rate Applicable to the Following Companies:⁵

<u>Exporter/Producer</u>	<u>Weighted-Average Dumping Margin (Percent)</u>
Ahshin Pipe & Tube Company	43.91
Bookook Steel Co., Ltd.	43.91
Dongbu Steel Co., Ltd.	43.91
Ganungol Industries Co. Ltd.	43.91
Hanjin Steel Pipe	43.91
Husteel Co., Ltd.	43.91
Hyosung Corporation	43.91
Hyundai Steel Co.	43.91
Hyundai Steel Pipe Company	43.91
K Steel Co. Ltd.	43.91
Miju Steel Manufacturing Co., Ltd.	43.91
NEXTEEL Co., Ltd.	43.91
POSCO DAEWOO	43.91
Sam Kang Industrial Co., Ltd.	43.91
Sam Kang Industries Co., Ltd.	43.91
Samson Controls Ltd., Co.	43.91
SeAH Steel Corporation	43.91
Yujin Steel Industry Co. Ltd.	43.91

⁵ This rate is based on the rates for the respondents that were selected for individual review, excluding rates that are zero, *de minimis* or based entirely on facts available. See section 735(c)(5)(A) of the Act.

Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.⁶ Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice.⁷ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than five days after the time limit for filing case briefs.⁸ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.⁹ Case and rebuttal briefs should be filed using ACCESS.¹⁰

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.¹¹ Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.¹²

An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

⁶ See 19 CFR 351.224(b).

⁷ See 19 CFR 351.309(c).

⁸ See 19 CFR 351.309(d).

⁹ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁰ See 19 CFR 351.303.

¹¹ See 19 CFR 351.310(c).

¹² See 19 CFR 351.310(d).

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless otherwise extended.¹³

Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.¹⁴

Pursuant to 19 CFR 351.212(b)(1), where HiSteel and Kukje Steel reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For the companies which were not selected for individual review, we will assign an assessment rate based on the average¹⁵ of the cash deposit rates calculated for HiSteel and Kukje Steel, excluding any which are zero or *de minimis* or determined entirely based on adverse facts available. Because DOSCO withdrew its participation from this review and reported no information to Commerce for this POR, we will instruct CBP to apply an assessment rate to all entries it produced and/or exported equal to the dumping margin of 53.80 percent, as indicated above. The final results of this review shall be the basis for the assessment of antidumping

¹³ See section 751(a)(3)(A) of the Act.

¹⁴ See 19 CFR 351.212(b).

¹⁵ This rate was calculated as discussed in footnote 5, above.

duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties, where applicable.

Commerce's "automatic assessment" will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.¹⁶

We intend to issue liquidation instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the exporters listed above will be equal to the weighted-average dumping margin established in the final results of this review, except if the rate is less than 0.50 percent and therefore *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for companies not participating in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate

¹⁶ For a full discussion of this practice, *see Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

will be the cash deposit rate established for the most recently completed segment for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 3.24 percent, the all-others rate established in the LTFV investigation.¹⁷

These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: November 6, 2019.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

¹⁷ See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes From the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865, 62866 (September 13, 2016).

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Companies Not Selected for Individual Examination
- V. Discussion of the Methodology
- VI. Application of Facts Available and Use of Adverse Inference
- VII. Currency Conversion
- VIII. Recommendation

[FR Doc. 2019-24854 Filed: 11/15/2019 8:45 am; Publication Date: 11/18/2019]